

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
JACKSON COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2004
Through June 30, 2005**



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CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Robbie Rudolph, Secretary, Finance and Administration Cabinet
The Honorable Paul Rose
Jackson County Property Valuation Administrator
McKee, Kentucky 40447

We have performed the procedures enumerated below, which were agreed to by the Jackson County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for period July 1, 2004 through June 30, 2005. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Jackson County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2005), to determine if amounts are accurate.

Finding -

The PVA did not prepare a receipts or disbursements ledger; however, bank reconciliations were prepared.

PVA's Response -

We reconcile with each statement, but are likely to go to a ledger in the future.

2. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

No exceptions noted.

PVA's Response -

OK.



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(Continued)

3. Procedure -

Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

No exceptions noted.

PVA's Response -

OK.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure was for official business. Review all credit card statements (if any) to determine if expenditures were for official business.

Finding -

Twelve out of the 15 disbursements tested did not have proper supporting documentation.

PVA's Response -

We likely have these.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's capital asset inventory list.

Finding -

The PVA did not have any capital outlay disbursements during fiscal year ended June 30, 2005.

PVA's Response -

No response.

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(Continued)

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The PVA did not enter into any lease agreements, personal service contracts, or professional service contracts during fiscal year ended June 30, 2005.

PVA's Response -

No response.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA did not have a disbursements ledger; therefore, the auditor could not perform this procedure.

PVA's Response -

No response.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

The PVA's funds did not exceed Federal Deposit Insurance Coverage; therefore, no collateral agreement was necessary.

PVA's Response -

Not necessary.

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Jackson County Property Valuation Administrator
(Continued)

9. Procedure -

Determine whether timesheets are completed, maintained, and support hours worked.

Finding -

No exceptions noted.

PVA's Response -

No response.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen
Auditor of Public Accounts

Engagement fieldwork completed -
November 9, 2005

